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| Attorney or Professional Name, Address, Telephone and FAX<br>Timothy Skillman<br>CR3 Partners, LLP<br>6171 West Century Boulevard, Suite 350<br>Los Angeles, CA 90045<br>T: 800-728-7276<br>Restructuring and Financial Advisors for Michael A. McConnell, Chapter 11 Trustee |  |   |
| <b>UNITED STATES BANKRUPTCY COURT<br/>CENTRAL DISTRICT OF CALIFORNIA</b>  |  |   |
| In re:<br><br>HVI CAT CANYON, INC.,<br><br>Debtor   |  | Chapter 11 Case Number<br>9:19-bk-11573-MB<br><br><b>Professional Fee Statement</b><br><br>Number: <u>2</u><br>Month of: <u>12/1-12/31/2019</u> |

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|---|---|
| 1. Name of Professional:  | CR3 Partners, LLP                           |
| 2. Date of entry of order approving employment of the professional:   | December 9, 2019 (docket no. 606)           |
| 3. Total amount of pre-petition payments received by the professional:  | \$0.00                                      |
| 4. Less: Total amount of pre-petition services rendered and expenses:   | -0.00                                       |
| 5. Balance of funds remaining on date of filing of petition:  | \$ See Attachment at Paragraph Nos. 3 and 4 |
| 6. Less: Total amount of all services rendered per prior fee statements: (Line 6 is not used when filing Statement Number 1). | - See Attachment at Paragraph No. 5         |
| 7. Less: Total amount of services and expenses this reporting period:   | - See Attachment at Paragraph Nos. 6 and 7  |
| 8. Balance of funds remaining for next reporting period:  | \$ See Attachment at Paragraph Nos. 3 and 4 |

DETAILED DOCUMENTATION SUPPORTING THE PROFESSIONAL FEES EARNED AND THE EXPENSES INCURRED DURING THIS REPORTING PERIOD HAS BEEN SERVED ON THE UNITED STATES TRUSTEE. A COPY OF THE DETAILED DOCUMENTATION WILL BE PROVIDED BY THE PROFESSIONAL TO ANY PARTY UPON REQUEST. FEES AND COSTS WILL BE WITHDRAWN FROM THE TRUST ACCOUNT IN THE AMOUNT STATED IN ITEM 7 ABOVE UNLESS AN OBJECTION IS FILED WITH THE CLERK OF THE COURT AND SERVED ON THE PROFESSIONAL NAMED ABOVE WITHIN 10 DAYS FROM THE DATE OF SERVICE OF THIS STATEMENT.

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| 9. Total number of pages attached hereto: | 32 |
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The above is a true and correct statement of fees earned and expenses incurred during the indicated reporting period.

Dated: January 9, 2020

Timothy Skillman  
Type Name of Professional

*Timothy Skillman*  
Signature of Professional

Type Name of Attorney for Professional (if applicable)

Signature of Attorney for Professional (if applicable)

ATTACHMENT TO PROFESSIONAL FEE STATEMENT NO. 2

CR3 Partners, LLP ("CR3" or "applicant")

1. Michael A. McConnell was appointed as Chapter 11 Trustee for HVI Cat Canyon, Inc. (the "debtor") on or about October 21, 2019.

2. On or about November 14, 2019, the Trustee filed the *Notice Of Application And Application To 1) Employ CR3 Partners, LLP As Restructuring/Financial Advisor And 2) Approve Engagement Agreement* (the "Application" docket no. 510), which was approved by the Court's order entered on or about December 9, 2019 (docket no. 606).

3. Pursuant to the budget filed on or about November 7, 2019 (the "Budget," docket no. 474), which the Court approved by order entered on or about November 27, 2019 (docket no. 572), UBS, LLC ("UBS") loaned money to the Trustee for operations including a carve-out weekly reserve for the Trustee and his professionals, and for professionals retained by the Official Committee of Unsecured Creditors (the "Committee"). Subsequent budgets similarly have included weekly reserves for those professionals. These funds are being deposited weekly into segregated accounts for the Trustee's professionals and for the Committee's professionals.

4. On or about November 14, 2019, the Trustee filed a *Motion Of Chapter 11 Trustee For Order (1) Establishing Procedures For The Payment Of Interim Compensation And Reimbursement Of Expenses (11 U.S.C. §§ 105(a) and 331), And Authorizing Payment On A Monthly Basis (11 U.S.C. § 328)* (the "Fee Procedures Motion," docket no. 511). The Fee Procedure Motion proposed to make monthly payments in this case to the extent of funds carved-out by the lender and designated for that purpose, or free and clear funds, if any. Subject to resolution of any timely objection to the Professional Fee Statement, the Trustee may pay the professional the lesser of (a) 80% of the fees and expenses requested in the monthly statement, and (b) the aggregate amount of fees and expenses requested in the monthly statement as to which no timely objection was made. The Fee Procedure Motion was approved by the Court's order entered on or about December 10, 2019 (docket no. 610).

5. Professional Statement No. 2: This is the second Professional Fee Statement by CR3. On or about December 6, 2019, applicant filed and served its First Professional Fee Statement for payment of fees and reimbursement of expenses incurred for the period of October 21, 2019, through November 30, 2019, in the amounts of \$375,177, and \$14,424, respectively, for a total of \$389,601 ("First Fee Statement," docket no. 600). Pursuant to the order on the Fee Procedures Motion and the Budget, applicant's First Fee Statement requested payment of \$311,681, which sum has been paid. Thus, the balance of \$77,920, is still due and owing on the First Fee Statement. No other compensation or reimbursement of expenses have been paid to CR3 Gill to date.

6. Fee Applications: The Trustee has set a hearing on first interim fee applications on January 30, 2020, at 10:00 a.m. CR3 will be requesting allowance of fees and costs through December 31, 2019, and payment of the amounts not paid through the professional fee statements, including the 20% holdback and any other sums unpaid.

7. Request for Payment of Professional Fees: During the period December 1, 2019, through December 31, 2019 (the "Subject Period"), CR3 has incurred fees and costs of \$171,268.13, and \$6,700.95, respectively, for a total of \$177,969.08. \$239,170 at present is being held under the carve-out in the segregated account for CR3 to secure its fees and costs. Thus, in accordance with the Budget and the Fee Procedures Motion, CR3 is requesting that it be paid fees and costs for the Subject Period of \$142,375.26.

## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 1901 Avenue of the Stars, Suite 450, Los Angeles, CA 90067-6006.

A true and correct copy of the foregoing document entitled (*specify*): **PROFESSIONAL FEE STATEMENT NO. TWO (CR3 PARTNERS, LLP)** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On January 10, 2020, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page.

**2. SERVED BY UNITED STATES MAIL:** On January 10, 2020, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Debtor  
HVI Cat Canyon, Inc.  
c/o Capitol Corporate Services, Inc.  
36 S. 18th Avenue, Suite D  
Brighton, CO 80601

Debtor  
HVI Cat CANYON, INC.  
630 Fifth Avenue, Suite 2410  
New York, NY 10111

☒ Service information continued on attached page.

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on January 10, 2020, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served by Personal Delivery to be delivered by January 12, 2020  
The Honorable Martin R. Bash  
U.S. Bankruptcy Court  
21041 Burbank Boulevard, Bin on 1<sup>st</sup> Floor outside entry to Intake Section  
Woodland Hills, CA 91367

☒ Service information continued on attached page.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

January 10, 2020  
Date

Vivian Servin  
Printed Name

  
Signature

ADDITIONAL SERVICE INFORMATION (if needed):

1. SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")

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**2. SERVED BY UNITED STATES MAIL:**

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**REQUESTS FOR SPECIAL NOTICE**

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**3. SERVED VIA EMAIL:**

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